

Defining How Drug Producers Work Together

Synopsis: As the Board of Health considers secure medicine return, it must define requirements and options for how drug producers will work together to provide the medicine take-back system. The Board must also decide whether to specify guidelines or a mechanism for how producers apportion costs amongst themselves. Regardless of how drug producers are required to work together, any producer or group of producers proposing to operate a medicine take-back program must submit a stewardship plan to the Department for approval.

Examples of policy approaches for discussion are provided in the Policy Comparison Table, item #6B, and in the supporting materials.

Considerations for this decision include:

- How much to define the activities of drug producers in providing the stewardship program and how much to leave up to their own discretion.
- How this decision impacts delivery of services to residents.
- How this decision impacts oversight and enforcement of product stewardship program(s) by the Department.

Policy decisions to be made:

1. Defining How Drug Producers Work Together to Provide the Medicine Take-back Program

The legislation could:

- A. Allow producers to work together or independently in any combination.
- B. Require all drug producers to work together in a single program.
- C. Require all producers to participate in a single default or standard plan, unless they “opt out” to form an independent plan.

For any selected option, it will have to be determined if further details are included in the legislation about that producer arrangement.

Considerations:

- Allowing greater flexibility increases the potential for multiple stewardship programs, which will increase agency oversight functions.
- Independent plans could be required to meet a minimum requirement for market share to further encourage producers to work together.

2. Whether to Define How Drug Products Apportion Program Costs

The legislation could:

- A. Not specify any arrangement, leaving the decision up to the drug producers.
- B. Require producers working together to provide a stewardship program to describe their method for equitably apportioning costs in their stewardship plan, which will be reviewed and approved by the Department.
- C. Define a specific method by which producers working together to provide a stewardship program must apportion costs, i.e. by market share or some other measure.

Considerations:

- The Board of Health has an interest in ensuring that producer agreements in operating the program are fair, but may or may not want to define parameters of those agreements.

Attachments:

- Examples of Policies for How Producers Work Together in Stewardship Systems
- Pharmaceutical Product Stewardship Policy Comparison Table: item #6B “How do drug producers work together?”